

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:)	Chapter 11
)	
Conseco Finance Corp.,)	Case No. 02-49675
)	Honorable Carol A. Doyle
Debtor.)	
)	Hearing Date: April 13, 2005 at 11:00 a.m. (Central)
)	Response Date: April 4, 2005 at 4:30 p.m. (Central)

**NOTICE OF THE CFC ESTATE'S FIFTY-SECOND OMNIBUS
OBJECTION TO CLAIMS (SUBSTANTIVE) AND REQUEST
FOR SHORTENED NOTICE OF HEARING ON THE OBJECTION**

The Plan Administrator, on behalf of the Post-Consummation Estate of the Finance Company Debtors (the “**CFC Estate**”)¹ filed the *CFC Estate's Fifty-Second Omnibus Objection to Claims (Substantive) and Request for Shortened Notice of Hearing on the Objection* (the “**Fifty-Second Omnibus Objection**”)² with the United States Bankruptcy Court for the Northern District of Illinois (the “**Bankruptcy Court**”).

PLEASE TAKE FURTHER NOTICE that service of the Fifty-Second Omnibus Objection will be effected as follows:

1. The U.S. Trustee and the Core Group, as defined in the current Case Management Procedures, will receive service of the Fifty-Second Omnibus Objection together with all Exhibits.

¹ The post-consummation estate for Conseco Finance Corp. (the “**CFC Estate**”) is the liquidating trust that holds in trust for distribution to creditors certain assets of the entities referred to as the “Finance Company Debtors” in the Finance Company Debtors’ Sixth Amended Joint Liquidating Plan of Reorganization Pursuant to Chapter 11 of the United States Bankruptcy Code.

² Capitalized terms not defined herein are as defined in the Fifty-Second Omnibus Objection.

2. Those parties set forth on the 2002 List, as defined in the current Case Management Procedures, will receive service of the Fifty-Second Omnibus Objection, without Exhibits.

3. Each creditor with a Claim or Claims directly affected by the Fifty-Second Omnibus Objection (each, an “**Affected Creditor**”) will receive service of the Fifty-Second Omnibus Objection (without Exhibits) as well as a Customized Notice setting forth the claim detail as reflected in the Exhibit on which such Affected Creditor is listed.³

PLEASE TAKE FURTHER NOTICE that:

1. A hearing on the Fifty-Second Omnibus Objection will be held before the Honorable Carol A. Doyle, or any Judge sitting in her stead, United States Bankruptcy Court, 219 S. Dearborn, Courtroom 742, Chicago, Illinois on **April 13, 2005 at 11:00 a.m., prevailing central time** (the “**Claims Hearing**”).

2. Any party wishing to oppose the relief requested in the Fifty-Second Omnibus Objection must file a written response with the Clerk of the U.S. Bankruptcy Court, 219 S. Dearborn, Chicago, IL 60604, and serve a copy of the response upon Greenberg Traurig, LLP, Attn: Robert W. Lannan, 77 West Wacker Drive, Suite 2500, Chicago, Illinois 60601, so as to be received on or before **April 4, 2005, at 4:30 p.m., prevailing central time** (the “**Response Deadline**”). Only those responses timely filed with the Court and timely received by the CFC Estate’s counsel will be considered by the Court.

³ The Customized Notice is being provided in lieu of serving the full set of Exhibits. The full set of Exhibits is voluminous. The CFC Estate believes that mailing of the same would be an unnecessary expense to the CFC Estate and would not provide any additional information to the Affected Creditor.

3. If no response is filed, served and received as required by the Response Deadline, the Court will enter an order, similar to the attached form of proposed order, disallowing the Claim(s) as requested in the Fifty-Second Omnibus Objection.

4. Any response should contain the following:

- (i) a caption setting forth the name of the Court, the case number and the title of the Objection to which the response is directed;
- (ii) the name and contact information (including daytime telephone number) of the claimant and a description of the basis for the amount of the Claim;
- (iii) the Claim number(s) and the Claim objection(s) to which the response is directed;
- (iv) the specific factual basis and supporting legal argument upon which the party will rely in opposing the Fifty-Second Omnibus Objection; and
- (v) any supporting documentation, to the extent it was not included with the proof of claim previously filed with the Clerk or Claims Agent, upon which the party will rely to support the defenses the Claimant may assert pursuant to Section 550 of the Bankruptcy Code.

5. The CFC Estate will endeavor to consensually resolve the CFC Estate's objection to the Claims with any party filing a timely response. If no agreement is reached, the dispute will be resolved by the Court.

6. If you file a response to the Fifty-Second Omnibus Objection, you should be prepared to argue that response at the Claims Hearing unless you reach an agreement with the CFC Estate's counsel to settle the Claim or the CFC Estate continues your matter.

7. You need not respond to the Fifty-Second Omnibus Objection or appear at the Claims Hearing if you do not object to the relief requested in the Fifty-Second Omnibus Objection. If you do not timely file and serve a response to the Fifty-Second Omnibus Objection, the relief requested in the Fifty-Second Omnibus Objection will be granted without

further notice to you. Failure to timely file a response to the Fifty-Second Omnibus Objection shall be deemed (i) a waiver of your right to respond to the Fifty-Second Omnibus Objection and (ii) your consent to the relief requested in the Fifty-Second Omnibus Objection with respect to your Claim.

8. Any party may obtain a copy of the Fifty-Second Omnibus Objection with all Exhibits by requesting the same from BMC at (888) 909-0100 (telephone) or by accessing the BMC website at <http://www.bmccorp.net/cfc>.

9. The CFC Estate reserves the right to object in the future to any of the Claims set forth in Exhibits A through E to the Fifty-Second Omnibus Objection on any grounds. A separate notice and hearing will be scheduled for any such objection. **If you have any questions regarding your Claim(s), you should contact Bankruptcy Management Corporation at (888) 909-0100. If you have any questions regarding the Fifty-Second Omnibus Objection, please call Robert W. Lannan at Greenberg Traurig, LLP at (312) 456-8400.**

Dated: March 15, 2005

THE CFC ESTATE

Keith J. Shapiro (ARDC No. 6184374)
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By: /s/ Robert W. Lannan
One of Its Attorneys

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
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In re:)	Chapter 11
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Conseco Finance Corp.,)	Case No. 02-49675
)	Honorable Carol A. Doyle
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)	Hearing Date: April 13, 2005 at 11:00 a.m. (Central)
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**CFC ESTATE’S FIFTY-SECOND OMNIBUS OBJECTION TO CLAIMS ASSERTED
AGAINST THE FINANCE COMPANY DEBTORS (SUBSTANTIVE) AND REQUEST
FOR SHORTENED NOTICE OF HEARING ON THE OBJECTION**

The Plan Administrator, on behalf of the Post-Consummation Estate of the Finance Company Debtors (the “**CFC Estate**”)⁴, by and through its undersigned attorneys, presents this *Fifty-Second Omnibus Objection to Claims Asserted Against the Finance Company Debtors (Substantive) and Request for Shortened Notice of Hearing on the Objection* (the “**Fifty-Second Omnibus Objection**”), and respectfully states as follows in support hereof:

JURISDICTION

1. This Court has jurisdiction over this Fifty-Second Omnibus Objection under 28 U.S.C. § 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue of this proceeding and this Fifty-Second Omnibus Objection is properly in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory basis for the relief requested herein is section 502 of title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (the “**Bankruptcy Code**”).

⁴ The post-consummation estate for Conseco Finance Corp. (the “**CFC Estate**”) is the liquidating trust that holds in trust for distribution to creditors certain assets of the entities referred to as the “Finance Company Debtors” in the Finance Company Debtors’ Sixth Amended Joint Liquidating Plan of Reorganization Pursuant to Chapter 11 of the United States Bankruptcy Code.

3. In addition to complying with all applicable provisions of the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure, the CFC Estate will (in the absence of a local rule on omnibus objections to claims) substantially adhere to Rule 3007-1 of the Local Rules for the United States Bankruptcy Court for the District of Delaware as a matter of good practice.

BACKGROUND

4. On April 14, 2003, the Court set (i) May 22, 2003 as the bar date by which non-governmental entities wishing to assert pre-petition claims against the Finance Company Debtors must file proofs of claim (the “**CFC Prepetition Claims Bar Date**”); (ii) June 17, 2003, as the bar date by which governmental entities wishing to assert claims against the CFC Initial Debtors must file proofs of claim (the “**CFC Initial Debtors’ Governmental Bar Date**”); and (iii) August 4, 2003, as the bar date by which governmental entities wishing to assert claims against the CFC Subsidiary Debtors must file proofs of claim (the “**CFC Subsidiary Debtors’ Governmental Bar Date**”). On September 9, 2003, the Court set November 8, 2003, as the bar date by which entities wishing to assert administrative expense claims against the CFC Estate must file their requests for payment of administrative expenses (the “**CFC Administrative Bar Date**,” and together with the CFC Prepetition Claims Bar Date, the CFC Initial Debtors’ Governmental Bar Date and the CFC Subsidiary Debtors’ Governmental Bar Date, the “**Claims Bar Date**”).

5. On September 9, 2003, the Court entered its Order Confirming Finance Company Debtors’ Sixth Amended Joint Liquidating Plan of Reorganization Pursuant to Chapter 11 of the United States Bankruptcy Code (the “**Confirmation Order**”). Pursuant to the Confirmation Order, the Finance Company Debtors’ estates and all of the debts of the Finance Company Debtors were substantively consolidated as set forth in Article II.A of Plan. On September 15, 2003, the Plan became effective (the “**Effective Date**”).

THE OBJECTION AND REQUEST FOR RELIEF

6. By this Fifty-Second Omnibus Objection, the CFC Estate objects to certain claims (collectively, the “**Claims**”) set forth in the Exhibits attached hereto for the reasons described herein and as stated in such Exhibits:

- The Claim set forth in **Exhibit A** (“**Late Filed Claims**”) is a Claim that was filed after the applicable Claims Bar Date set by this Court.
- The Claims set forth in **Exhibit B** attached hereto (the “**No Liability Claims**”) are Claims for which the CFC Estate has no liability according to its books and records and applicable laws.
- The Claims set forth in **Exhibit C** attached hereto (the “**Reclassify and Reduce Claims**”) are Claims that, according to the CFC Estate’s books and records, were improperly filed as secured, administrative or priority claims. In addition, these Claims were filed for amounts in excess of owed amounts reflected in the CFC Estate’s books and records.
- The Claims set forth in **Exhibit D** attached hereto (the “**Reduce Claims**”) are Claims filed for amounts in excess of the owed amounts reflected on the CFC Estate’s books and records.
- The Claims set forth in **Exhibit E** attached hereto (“**502(d) Claims**”) are Claims subject to objection under Section 502(d) of the Bankruptcy Code, because their claimants received transfers from the Finance Company Debtors subject to avoidance and recovery under Sections 547 and 550 of the Bankruptcy Code.

The Late Filed Claim

7. The CFC Estate objects to the Late Filed Claim identified on **Exhibit A** pursuant to section 502(b)(9) of the Bankruptcy Code because such claim (1) was not timely filed before the applicable Claims Bar Date; and (2) neither subparagraphs (1), (2) or (3) of section 726(a) of the Bankruptcy Code nor the Federal Rules of Bankruptcy Procedure permit tardy filing of this claim. Therefore, the Late Filed Claim listed on Exhibit A should be disallowed for all purposes.

No Liability Claims

8. The CFC estate objects to the No Liability Claims listed in **Exhibit B** pursuant to section 502(b)(1) of the Bankruptcy Code because the No Liability Claims are not enforceable against the CFC Estate or its property under any agreement or applicable law. Each of the Claims attached in **Exhibit B** are based upon a proof of claim for which either: (a) the alleged liability has been satisfied by prior agreement; (b) the alleged liability arises for an executory contract that has been assumed and assigned by the CFC Estate and a cure amount determined and/or paid; or (c) is based upon an alleged fact or theory of recovery for which the CFC Estate has no record and/or is not liable under the facts or applicable law. Therefore, each of the No Liability Claims identified on **Exhibit B** should be disallowed for all purposes.

Reclassify and Reduce Claims

9. The CFC Estate objects to the Reclassify and Reduce Claims listed in **Exhibit C** pursuant to section 502(b) of the Bankruptcy Code because these Claims were incorrectly filed as priority, secured or administrative Claims in amounts exceeding the amounts reflected on the CFC Estate's books and records. In evaluating the Reclassify and Reduce Claims, the CFC Estate has thoroughly reviewed its books and records, the proofs of claim, as well as supporting documentation, if any, provided by each claimant. In so doing, the CFC Estate has determined either that the asserted priority and amount of each Reclassify and Reduce Claims is incorrect (in the case of asserted priority) or overstated (in amount), or that a request for payment of an administrative expense was not duly filed. Therefore, the CFC Estate objects to each of the

Reclassify and Reduce Claims listed on **Exhibit C** and requests that the Court (a) reclassify and (b) reduce in the amount set forth in the right hand columns of Exhibit C for that Claim.⁵

Reduce Claims

10. The CFC Estate objects to the Reduce Claims listed in **Exhibit D** pursuant to section 502(b) of the Bankruptcy Code because these Claims were filed for amounts exceeding the amounts reflected on the CFC Estate's books and records. In evaluating the Reduce Claims, the CFC Estate has thoroughly reviewed its books and records, the proofs of claim, as well as supporting documentation, if any, provided by each claimant. In so doing, the CFC Estate has determined that the asserted amount of each of the Reduce Claims is overstated. Accordingly, the CFC Estate objects to the Reduce Claims and requests that the Court reduce each of the Reduce Claims in the respective amount set forth in the right-hand column of **Exhibit D** for that Claim. Some of the Reduce Claims are already subject to other pending objections⁶

The 502(d) Claims

11. The CFC Estate objects to the 502(d) Claim listed in **Exhibit E** pursuant to 502(d) of the Bankruptcy Code because the claimant received transfer(s) from the Finance Company Debtors subject to avoidance and recovery under Sections 547 and 550 of the Bankruptcy Code. The CFC Estate requests that the claim be disallowed until the claimant pays the amount for which it is liable under sections 547 and 550 of the Bankruptcy Code. The CFC Estate has commenced a lawsuit against the claimant for recovery of the preferential transfer(s) in addition

⁵ The CFC Estate requests that, where applicable, the Reclassify and Reduce Claims not be allowed, in any amount, until other objections to the Reclassify and Reduce Claims are resolved.

⁶ The CFC Estate requests that, where applicable, the Reduce Claims not be allowed, in any amount, until other objections to the Reduce Claims are resolved.

to seeking to have the claims disallowed through the Second Omnibus Objection and this Fifty-Second Omnibus Objection.

APPROVAL OF SHORTENED NOTICE

12. Pursuant to Rule 3007 of the Federal Rules of Bankruptcy Procedure, a copy of the objection with notice of the hearing must be delivered to the claimant at least 30 days prior to the hearing. The next Omnibus Hearing Date in this case is April 13, 2005 at 11:00 a.m, prevailing Central Time (the “**Hearing Date**”). The CFC Estate requests that, to the extent applicable, the Court shorten the required notice period from 30 days to 29 days so that this Fifty-Second Omnibus Objection may be heard on the scheduled Hearing Date.

THE CLAIMS HEARING AND RESPONSES TO THE FIFTY-SECOND OMNIBUS OBJECTION

13. The CFC Estate has requested that a hearing on the Fifty-Second Omnibus Objection be held before the Honorable Carol A. Doyle, United States Bankruptcy Court, 219 S. Dearborn, Courtroom 742, Chicago, Illinois on **April 13, 2005 at 11:00 a.m. (prevailing Central Time)** (the “**Claims Hearing**”).

14. Any party wishing to oppose the relief requested in the Fifty-Second Omnibus Objection must file a written response with the Clerk of the U.S. Bankruptcy Court, 219 S. Dearborn, Chicago, IL 60604, and serve a copy of the response upon Greenberg Traurig, LLP, Attn: Robert W. Lannan, 77 West Wacker Drive, Suite 2500, Chicago, Illinois 60601, so as to be received on or before **April 4, 2005 at 4:30 p.m., prevailing Central Time** (the “**Response Deadline**”). Only those responses timely filed and received by Greenberg Traurig and the Court will be considered by the Court.

15. If no response is filed by the Response Deadline, the Court will enter an order, similar to the form attached hereto, disallowing the Claim(s) as requested in this Fifty-Second Omnibus Objection.

16. Any response should contain the following:

- (a) a caption setting forth the name of the Court, the name of the CFC Estate, the case number and the title of this Objection to which the response is directed;
- (b) the name and contact information (including daytime telephone number and facsimile) of the claimant and a description of the basis for the amount of the Claim;
- (c) the Claim number(s) and the Claim objection(s) to which the response is directed;
- (d) the specific factual basis and supporting legal argument upon which the party will rely in opposing the Fifty-Second Omnibus Objection; and
- (e) any and all supporting documentation, to the extent it was not included with the proof of claim previously filed with the Clerk or Claims Agent, upon which the party will rely to support the basis for and amounts asserted in the proof of claim.

17. The CFC Estate will endeavor to consensually resolve the CFC Estate's objection to the Claims with any party filing a timely response. If no agreement is reached, the dispute will be resolved by the Court.

18. Any party that files a response to the Fifty-Second Omnibus Objection should be prepared to argue that response at the Claims Hearing unless such party reaches an agreement with the CFC Estate's counsel to settle the matter or the CFC Estate continues the matter prior to the Claims Hearing.

19. No party need respond to the Fifty-Second Omnibus Objection or appear at the Claims Hearing if such party does not object to the relief requested in the Fifty-Second Omnibus Objection. If a party does not timely file and serve a response to the Fifty-Second Omnibus Objection, the relief requested in the Fifty-Second Omnibus Objection will be granted without further notice to such party. Failure to timely file a response to the Fifty-Second Omnibus

Objection shall be deemed (i) a waiver of a party's right to respond to the Fifty-Second Omnibus Objection; and (ii) such party's consent to the relief requested herein.

RESERVATION

20. The CFC Estate expressly reserves its right to seek recovery of CFC Estate property from any claimant listed on any Exhibit to this Objection under the Bankruptcy Code or other applicable law, and the CFC Estate reserves its rights to object in the future to any of the Claims listed in this Fifty-Second Omnibus Objection or on the Exhibits attached hereto on any ground, and to amend, modify and/or supplement this Fifty-Second Omnibus Objection, including without limitation, to object to superseded, surviving, transferred, re-classified and newly-filed Claims. Separate notice and a hearing will be scheduled for any such objection. Additionally, the CFC Estate reserves its right to pursue the recovery of CFC Estate property from any claimant listed on any Exhibit subject to this objection under the Bankruptcy Code or other applicable law, and the CFC Estate reserves its rights to object to any Claim or Administrative Expense Request listed on any Exhibit to this objection for any reason.

NOTICE

21. The CFC Estate's noticing and claims agent, Bankruptcy Management Corporation ("**BMC**"), will serve copies of this Fifty-Second Omnibus Objection (with all exhibits) on the U.S. Trustee and the Core Group as defined in the current Case Management Procedures.

22. BMC will serve copies of this Fifty-Second Omnibus Objection (without exhibits) on the 2002 List, as defined in the current Case Management Procedures. Any party may obtain a copy of the Fifty-Second Omnibus Objection with all Exhibits by requesting the same from BMC at (888) 909-0100 or by accessing the BMC website at <http://www.bmccorp.net>.

23. BMC will also serve a copy of the Fifty-Second Omnibus Objection (with all exhibits) upon those creditors whose Claims are affected by the Fifty-Second Omnibus Objection (the “**Affected Creditors**”).

24. Based upon the foregoing, the CFC Estate submits that notice of this Fifty-Second Omnibus Objection is sufficient under Fed. R. Bankr. P. 3007 and that no other or further notice is necessary.

NO PREVIOUS REQUEST

25. No previous request for the relief set forth herein has been made to this or any other Court.

ATTACHMENT OF PROOFS OF CLAIM

26. Proofs of claim for all Claims affected by this Fifty-Second Omnibus Objection have been saved to compact disk, and will be provided to the Court, upon request, as required by the Court’s Standing Order No. 9. Any party may obtain a copy of such Claims by requesting the same from BMC at (888) 909-0100 or by accessing the BMC website at <http://www.bmccorp.net>.

WHEREFORE, the CFC Estate respectfully requests that the Court enter an Order, substantially in the form attached hereto as **Exhibit F**, disallowing, reclassifying, reducing and/or allowing each Claim as described in this Fifty-Second Omnibus Objection and shown on the Exhibits attached hereto and for such further relief as is just and proper.

Chicago, Illinois

Respectfully submitted,

Dated: March 15, 2005

THE CFC ESTATE

By: /s/ Robert W. Lannan
One of its Attorneys

Keith J. Shapiro (ARDC No. 6184374)
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Attorneys for the CFC Estate

All Responses to Fifty-Second Omnibus Objection should be filed with the Court and served upon Greenberg Traurig, LLP, Attn: Robert W. Lannan, 77 West Wacker Drive, Suite 2500, Chicago, Illinois 60601.